

FISCAL NOTE

HB 2330 - SB 2292

February 19, 2004

SUMMARY OF BILL: Terminates the Department of Economic and Community Development and makes appropriate changes in the code to effectuate such termination. All departmental functions will be transferred as follows:

- The industrial development division within the Department of Economic and Community Development, or any successor of the division is transferred to the Department of Commerce and Insurance.
- The Tennessee job skills program and the fast track job training assistance program, as well as any other employee training programs and services of the Department of Economic and Community Development are transferred to the Department of Labor and Workforce Development.
- The community development division of the Department of Economic and Community Development, or any successor of the division, is transferred to the Tennessee housing development authority.
- The energy division within the Department of Economic and Community Development, or any successor of the division, is transferred to the Department of Environment and Conservation.
- The state planning office within the Department of Economic and Community Development, or any successor of the office, is transferred to the Department of Finance and Administration.
- The office of business enterprise within the Department of Economic and Community Development, or any successor of the office, as well as all departmental programs and service to promote small and minority business growth are transferred to the Department of General Services.
- The office of international affairs within the Department of Economic and Community Development, or any successor of the office, is transferred to the office of the governor.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - Not Significant

Other Fiscal Impact:

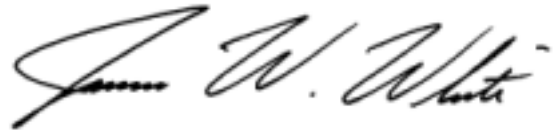
Shifts \$94,638,300 budgeted for FY04-05 from the Department of Economic and Community Development to the other departments responsible for carrying out the current functions of the Department of Economic and Community as outlined in the bill. This shift would include \$48,093,900 in state funds, \$34,829,300 in federal funds and \$11,715,100 in funds from other sources. This shift would include a maximum of 206 full-time positions of the Department of Economic and Community Development reduced by any decrease in administration positions incident to the transfer.

Estimate assumes:

- All funding and revenues currently budgeted and received by the Department of Economic and Community Development would be transferred to the departments that take over the individual functions of divisions of the Department of Economic and Community Development.
- Costs to transfer personnel and make software modifications would be offset by the decrease in upper-level administrative positions.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a more compact, stylized script, followed by "W." and "White" in a more legible but still cursive style.

James W. White, Executive Director